

Message Text

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ACTION TRSE-00

INFO OCT-01 FS-01 ISO-00 ABF-01 NEA-10 L-03 AID-05 /021 W

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R 111416Z AUG 76

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 6003

INFO AMEMBASSY PARIS

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PARIS FOR RFC

E.O. 11652: N/A

TAGS: AFIN, EFIN, EG

SUBJECT: DELINQUENT CONVERSION VOUCHERS

REF (A) CAIRO 10486 (B) CAIRO 3033

1. FOLLOWING IS TEXT OF JULY 8 LETTER ON SUBJECT
VOUCHERS FROM MINECON TO MINFIN, FORWARDED TO
EMBASSY BY BANK MISR AUGUST 9 UNDER COVER OF
LETTER ASKING FOR COMMENT (NOTE - TRANSLATION BY
BANK MISR):

BEGIN QUOTE: MINISTRY OF ECONOMY AND ECONOMIC COOPERATION
(ECONOMICAL AND COOPERATIVE SECTION)

THE GENERAL MANAGER

CENTRAL EXCHANGE CONTROL

MINISTRY OF FINANCE

DEAR SIR,

WITH REFERENCE TO YOUR LETTER (RESEARCH-
INVISIBLES PAYMENTS) NO. 870-871 DATED JUNE 16TH,
1976 CONCERNING THE APPLICATION SUBMITTED BY THE
U.S.A. EMBASSY IN CAIRO TO OBTAIN THE APPROVAL
FOR THE TRANSFER OF EQUIVALENT OF L.E. 96958,960
TO THE BANK OF AMERICA TOKYO AND L.E. 561232,010
TO DRESDNER BANK FRANKFURT MAIN BY THE DEBT OF
THEIR ACCOUNT, WE HAVE THE HONOUR TO INFORM YOU THAT

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UPON EXAMINATION OF THE U.S.A. EMBASSY'S

APPLICATION RELATING TO THE TRANSFER OF THE SECOND AMOUNT IT APPEARS THAT THE TWO AGREEMENTS DATED 9/2/62 AND 22/4/63 NO. 263-G-021 AND 263-6-013 SIGNED BY THE AMERICAN GOVERNMENT TO FINANCE SOME PROJECTS INSERTED IN THE EGYPTIAN PRODUCTION BUDGET DO NOT CONCERN THE AGREEMENT RELATIVE TO THE AMERICAN AGRICULTURE PRODUCTS SURPLUS WHICH AGREEMENT PERMIT THE TRANSFER OF AMOUNTS IN OTHER CURRENCIES THAN U.S.A.

WE, THEREFORE, KINDLY REQUEST YOU TO CONTACT BANK MISR TO REEXAMINE WITH THE U.S.A. EMBASSY THE TWO APPLICATIONS ATTACHED TO YOUR LETTER ADRESSED TO US ON 25/3/76 IN ORDER TO DETERMINATE WHICH AGREEMENT OF AGRICULTURAL SURPLUS IS CONCERNED APPLY FOR THE SECOND AMOUNT TO BE TRANSFERRED IN ACCORDANCE WITH ITS TERMS.

PLEASE LET US KNOW FURTHER RESULTS. END QUOTE.

2. AGREEMENT REFERRED TO BY MINECON PRESUMABLY IS THAT DATED FEBRUARY 10, 1962, ALONG WITH AMENDMENT OF APRIL 23, 1962 (NOT 1963). IT IS UNCLEAR WHY MINECON CITED THOSE PARTICULAR DOCUMENTS AS RULING IN THIS INSTANCE, BUT IN ANY EVENT FEBRUARY 1962 AGREEMENT INCLUDES LANGUAGE PERMITTING U.S. USES UNDER SECTION 104 (A) OF PL-480. MINECON'S POSITION AS EXPRESSED IN LETTER THEREFORE WOULD APPEAR TO BE MISTAKEN.

3. WHETHER WELL INFORMED ON QUESTION OR NOT, MINECON LIKELY IS CONDUCTING REAR GUARD HOLDING ACTION BY RAISING QUESTION ON APPLICABILITY OF 1962 AGREEMENT TO TRANSFER REQUEST. ACTING CHAIRMAN OF MISR BANK EL ORABY VOLUNTEERED AS MUCH IN CONVERSATION WITH EMBOFF AUGUST 11, STRESSING GOE'S LACK OF FOREIGN EXCHANGE AND NOTING INCONGRUITY OF LARGE-SCALE U.S. AID PROGRAM COUPLED AT SAME TIME WITH BILLING ACTIVITIES OF THIS SORT. EL ORABY SAID MINFIN ABU ISMAIL TOLD HIM, IN CONNECTION WITH THIS PARTICULAR REQUEST, SECRETARY SIMON HAD AGREED THERE WOULD BE NO RPT NO DRAWINGS OF THIS SORT ON PL-480 FUNDS. LIMITED OFFICIAL USE

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(NOTE: SEE REF B. PROBABLY WHAT DR. ABU ISMAIL WAS REFERRING TO WAS INCONCLUSIVE DISCUSSION ON RELEASE FOR LOAN PURPOSES, WHICH MINFIN OPPOSES, OF USG DEPOSIT TRANSFERRED TO CHASE NATIONAL BANK.)

4. PENDING RESPONSE TO REF A, WE PROPOSE TO HOLD IN ABEYANCE ANSWERING BANK MISR REQUEST FOR COMMENT ON MINECON'S QUESTION. PLEASE ADVISE.

EILTS

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Message Attributes

Automatic Decaptioning: X
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Concepts: VOUCHERS, DIPLOMATIC NOTES
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Copy: SINGLE
Draft Date: 11 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Handling Restrictions: n/a
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Legacy Key: link1976/newtext/t19760866/aaaacfdq.tel
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